

Terra Firma Capital Corporation Announces the Closing of a CDN\$25 Million First Mortgage Loan in Tampa, Florida

TORONTO, May 17, 2018 -- Terra Firma Capital Corporation (TSX-V:TII) ("Terra Firma" or the "Company"), is pleased to announce the closing of a first mortgage loan (the "Loan") totaling US\$19.5 million (CDN\$25 million) secured by fully entitled residential development land located in Tampa, Florida.

Terra Firma advanced US\$16.2 million (CDN\$20.7 million) of the Loan on May 16, 2018 from available cash balances and cash from syndicate investors. The remainder of the Loan will be funded over the term of the Loan subject to certain conditions. The full impact of the deployment of this capital is expected to be positively reflected in the earnings of the Company in the second quarter of 2018.

"This loan is the largest US transaction that the Company has completed to date with one of the largest developers in the state currently responsible for managing development projects which are expected to yield over 14,000 residential lots. It is very indicative of our ability to execute on larger transactions with top tier developers," said Glenn Watchorn, President and Chief Executive Officer.

About Terra Firma

Terra Firma is a full service, publicly traded real estate finance company that provides real estate financings secured by investment properties and real estate developments throughout Canada and the United States. The Company focuses on arranging and providing financing with flexible terms to real estate developers and owners who require shorter-term loans to bridge a transitional period of one to five years where they require capital at various stages of development or redevelopment of a property. These loans are typically repaid with lower cost, longer-term debt obtained from other Canadian financial institutions once the applicable transitional period is over or the redevelopment is complete, or from proceeds generated from the sale of the real estate assets. Terra Firma offers a full spectrum of real estate financing under the guidance of strict corporate governance, clarity and transparency. For further information please visit Terra Firma's website at www.tfcc.ca.

The TSX-V has neither approved nor disapproved the contents of this press release. The TSX-V does not accept responsibility for the adequacy or accuracy of this press release.

For further information, please contact:

Terra Firma Capital Corporation
Glenn Watchorn
Chief Executive Officer
Phone: 416.792.4702
gwatchorn@tfcc.ca

or
Terra Firma Capital Corporation
Y. Dov Meyer
Executive Vice Chairman
Phone: 416.792.4709
ydmeyer@tfcc.ca

or
Ali Mahdavi
Managing Director
Spinnaker Capital Markets Inc.
Phone: 416.962.3300
am@spinnakercmi.com